

Pre-Quarterly Results Communication Q1 2013

New information for Q1 2013

Share repurchases:

During Q1 2013 we repurchased 3.48m shares at a cost of £52m including a quarter-end accrual.

Basic Weighted Average Number of Shares (WANS):

The basic weighted number of shares in issue during Q1 2013 was 4,834m compared with 4,963m in Q1 2012 (a reduction of 2.6%).

In millions	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
WANS: Quarter	4,963	4,945	4,897	4,843	4,834
WANS: Cumulative - Year to date	4,963	4,954	4,935	4,912	4,834
Period end shares *	4,962	4,910	4,864	4,827	4,844

*excludes Treasury shares and shares held by ESOP Trusts

Foreign Exchange:

Average rates for the quarter ended 31st March 2013 were £1/\$1.56, £1/€1.19 and £1/Yen 142. On the basis of these rates, it is expected that the impact of foreign exchange on Q1 2013 sales will be around -1%.

Average rates	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Quarter					
US\$	1.58	1.58	1.58	1.62	1.56
€	1.20	1.24	1.25	1.23	1.19
Yen	125	125	125	133	142
<i>FX impact on Turnover</i>	-1%	-2%	-3%	-3%	-1%
	Q1 2012	H1 2012	9 Months 2012	Full Year 2012	Q1 2013
Cumulative - YTD					
US\$	1.58	1.58	1.58	1.59	1.56
€	1.20	1.22	1.23	1.23	1.19
Yen	125	125	125	127	142
<i>FX impact on Turnover</i>	-1%	-2%	-2%	-2%	-1%

At the 2012 results presentation on 6th February 2013, the following ready-reckoner was provided in one of the slides to help estimate the expected impact of foreign exchange movements on core EPS:

Currency	Impact on 2013 Full Year EPS
US Dollar	10 cents movement in average exchange rate for full year impacts EPS by approximately +/-3.5%
Euro	10 cents movement in average exchange rate for full year impacts EPS by approximately +/-2.5%
Japanese Yen	10 Yen movement in average exchange rate for full year impacts EPS by approximately +/-1.0%

The full 2012 results presentation is available from our website www.gsk.com/investors.

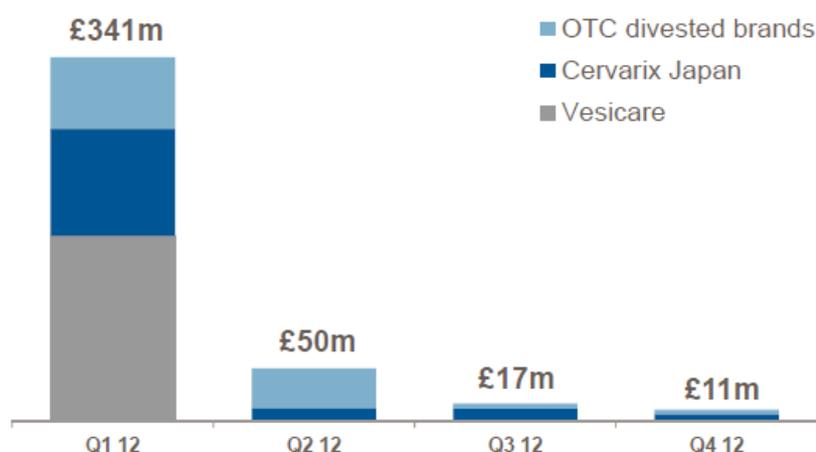
Factors impacting the Quarter

As usual there were a number of events during the course of 2012 and in Q1 2012 which impact the comparison for Q1 2013. The following include several noteworthy items which you may wish to consider in your modelling.

Please note that the items listed below are not intended to be a complete list of all items that may impact the comparisons for Q1 2013 vs Q1 2012.

In our full year 2012 results presentation on 6 February 2013 we included the following slide:

2012 quarterly comparators



All forward looking statements are based on 2012 restated numbers adjusted for IAS 19R, at CER and barring unforeseen circumstances. See our 'Cautionary statement regarding forward-looking statements'

Link to 2012 Results London Stock Exchange announcements and presentations:

<http://www.gsk.com/investors/quarterly-results.html>

Acquisitions and Divestments - Historic information

OTC divestments

During 2012, we divested the non-core tail of OTC products in three tranches. The divestments included:

- North American brands (2011 sales of circa £126 million), which was substantially completed at the end of January 2012;
- International brands (total 2011 sales of circa £60 million), which was substantially completed in April 2012; and
- European brands (total 2011 sales of approximately £185 million), which was substantially completed in May 2012 (Europe business was sold to Omega).

Sales £m (as reported)	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Ongoing Consumer Healthcare	1,269	1,220	1,263	1,245	4,997
Divested OTC products	67	37	5	4	113
Total Consumer Healthcare	1,336	1,257	1,268	1,249	5,110
CER growth*					
<i>Ongoing Consumer Healthcare</i>	+4%	+5%	+5%	+7%	+5%
<i>Total Consumer Healthcare</i>	+1%	+0%	-2%	+0%	+0%

Vesicare:

In Q1 2012 the Group benefited from incremental revenue related to the conclusion of the co-promotion agreement for Vesicare in the US. There were no associated COGS with Vesicare. There will be no Vesicare sales going forward.

Sales £m (as reported)	Q1	Q2	Q3	Q4	2012
2012	174	0	0	1	175

Acquisitions and Divestments – Historic London Stock Exchange announcements (LSE announcements) and press releases

GSK Consumer India – Increase in stake: (LSE announcement 5 February 2013)

GSK increases stake in its publicly-listed Consumer Healthcare subsidiary in India to 72.5 per cent

GlaxoSmithKline plc (LSE: GSK) announced today that, pursuant to the voluntary open offer undertaken by its subsidiary, GlaxoSmithKline Pte. Ltd, GSK has successfully increased its stake in GlaxoSmithKline Consumer Healthcare Ltd, its publicly-listed Consumer Healthcare subsidiary in India, from 43.2% to 72.5%.

HGS update comment from Q3 2012 Results announcement: (31 October 2012)

The integration is progressing well and potential cost savings of up to \$250 million have now been identified. The early emphasis has been on realising synergies in the commercial organisation. A number of additional opportunities within manufacturing have also now been identified and may rephase some of the synergy delivery. As a result, the acquisition is now expected to have a neutral effect on core earnings in 2013 and to be accretive thereafter.

Shionogi/ViiV comment from Q3 2012 Press release (31 October 2012) and (LSE announcement 29 October 2012)

On 28 October 2012, GSK announced that ViiV Healthcare has acquired the 50% of the Shionogi-ViiV Healthcare Holdings joint venture previously held by Shionogi. As a result, GSK will record 100% of the sales of the products formerly held by the joint venture and Shionogi will take an additional non-controlling interest in ViiV Healthcare. As all of the development costs of the previous joint venture will now be fully consolidated, the acquisition is expected to be marginally dilutive to core EPS by up to 1p in each of 2013 and 2014 and accretive thereafter reflecting full consolidation of R&D costs.

Australian Classic Brands: (LSE announcement 15 August 2012)

GlaxoSmithKline reaches agreement to divest majority of Classic Brands in Australia for £172m

GlaxoSmithKline plc (GSK) today announced that it has reached agreement to divest the majority of its "Classic Brands" (25 non-promoted and genericised products) in Australia to Aspen Global Incorporated (Aspen) for approximately £172 million in cash. The divested brands include Valtrex, Lamictal, Timentin, Amoxil and Aropax and generated total sales of approximately £83 million in 2011 and approximately £31 million in the first half of 2012.

On 30th November 2012, GSK completed the divestment of Classic Brands in Australia. The brands generated total sales in 2012 of £56m up to the date of completion.

Toctino (LSE announcement 12 June 2012)

Stiefel signs worldwide acquisition and license agreement for Toctino®

Stiefel, a GSK company, today announced that it has entered into a worldwide agreement to acquire Toctino (alitretinoin) from Basilea Pharmaceutica Ltd. (Basilea). Toctino is a once-daily oral retinoid and the only prescription medicine specifically approved for the treatment of severe chronic hand eczema unresponsive to potent topical steroids in adults. In 2011, worldwide sales of Toctino were £22m. Basilea will receive an initial payment of £146m in cash from Stiefel and is eligible to receive further payments of up to £50m upon FDA approval of the product in the US and double-digit success payments on US net sales, beginning three years after launch of the product in the US. The acquisition was completed at the end of July 2012.

Items Impacting Recent Quarterly Comparisons

Emerging Markets:

Vaccines in Emerging Markets are particularly vulnerable to volatility on a quarterly basis. Here are the published quarterly results for Pharma and Vaccines in Emerging Markets:

Sales £m (as reported)	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Pharma	842	892	902	993	3,629
Vaccines	210	277	301	319	1,107
Pharma + Vaccines	1,052	1,169	1,203	1,312	4,736
CER growth*					
Pharma	+6%	+7%	+10%	+11%	+8%
Vaccines**	-9%	+15%	+13%	+39%	+14%
Pharma + Vaccines	+2%	+9%	+11%	+16%	+10%

**During the Q&A session for the 2012 full year results presentation on 6 February 2013 the following comment was made: "Emerging Markets ... is also quite a lumpy business, even if it's ongoing mix, so the visibility we have of tenders today would suggest that Q1 on the Emerging Market side is going to look relatively thinner than last year and quite a lot of that volume shifts to the second half of the year from a trend point of view so you have a sort of double impact to managing Q1...."

The full results presentation can be found at:

http://events.ctn.co.uk/Webcasting17/Events/GSK/Q4_2012_Results/Broadcast

Cervarix Japan

Since the beginning of 2011, the national HPV vaccination programme in Japan has benefited sales of Cervarix. In Q1 2012 there were significant (£100m) sales in Japan which was the final bolus of sales related to this programme. Sales of Cervarix in Japan are in the table below:

Sales £m (as reported)	Q1	Q2	Q3	Q4	Year
2011	70	32	187	55	344
2012	100	13	12	7	132

Regulatory news flow on Key Assets during the quarter – To date

Since our 2012 full year results were issued on 6 February 2013 we have issued a number of LSE announcements and press releases, each of which can be accessed using the following link:

<http://www.gsk.com/media/press-releases.html>

Regulatory update– GSK announces European submission for MEK monotherapy and BRAF/MEK combination therapy in metastatic melanoma (LSE announcement 7 February 2013)

GlaxoSmithKline (GSK) plc today announced submission of a Marketing Authorisation Application to the European Medicines Agency (EMA) for trametinib (MEK) as monotherapy and in combination with dabrafenib (BRAF) for the treatment of adult patients with unresectable or metastatic melanoma with a BRAF V600 mutation.

ViiV Healthcare announces FDA priority review designation for dolutegravir as a potential treatment for HIV infection (LSE announcement 15 February 2013)

ViiV Healthcare today announced that the U.S. Food and Drug Administration (FDA) has granted a priority review designation to dolutegravir submitted for the treatment of HIV infection.

GSK and Theravance announce FDA acceptance of New Drug Application (NDA) submission in the US for ANORO ELLIPTA™ for COPD (Press release 19 February 2013)

GlaxoSmithKline plc (LSE: GSK) and Theravance, Inc. (NASDAQ: THRX) today announced that the New Drug Application (NDA) for the investigational once-daily LAMA/LABA combination medicine, UMEC/VI, for patients with chronic obstructive pulmonary disease (COPD), has been accepted by the U.S. Food and Drug Administration (FDA) indicating that the application is sufficiently complete to permit a substantive review.

Regulatory update – GSK announces regulatory submission for albiglutide in Europe (LSE announcement 7 March 2013)

GlaxoSmithKline plc (GSK) today announced the submission of a Marketing Authorisation Application (MAA) for albiglutide, with the proprietary name EPERZAN, to the European Medicines Agency (EMA).

Revision of IAS 19 'Employee benefits' (LSE announcement 6 February 2013)

IAS 19 (Revised) will be implemented by GSK from 1 January 2013. The main effect will be that the expected returns on pension scheme assets will no longer be recognised in the income statement expected returns will be replaced by income calculated using the same discount rate as that used to measure the pension obligations. This discount rate is based on market rates for high quality corporate bonds. As a consequence, pension scheme costs will be higher under IAS 19 (Revised). For 2013 reporting, the results for 2012 will be restated retrospectively, and the effect of the change, on 2012 results, would have been to reduce core operating profit for the year by approximately £92 million and core EPS by approximately 1.3p. It is estimated that core operating profit in 2013 will be reduced by approximately £160 million and core EPS by approximately 2.5p by the change.

In conjunction with our 2012 full year results announcement we issued an LSE announcement outlining the changes:

<http://www.gsk.com/content/dam/gsk/globals/documents/pdf/Investors/quarterly-results/2012/Amended-Accounting-Standard-on-Employee-Benefits.pdf>

£m	2011	Q1'12	Q2'12	Q3'12	Q4'12	2012
Group Turnover	27,387	6,640	6,462	6,527	6,802	26,431
COGS	(7,284)	(1,719)	(1,698)	(1,855)	(1,837)	(7,109)
<i>as a % of sales</i>	26.6%	25.9%	26.3%	28.4%	27.0%	26.9%
Gross profit	20,103	4,921	4,764	4,672	4,965	19,322
<i>Gross margin</i>	73.4%	74.1%	73.7%	71.6%	73.0%	73.1%
SG&A	(7,993)	(2,050)	(1,969)	(1,946)	(1,940)	(7,905)
<i>as a % of sales</i>	29.2%	30.9%	30.5%	29.8%	28.5%	29.9%
R&D	(3,689)	(895)	(882)	(871)	(837)	(3,485)
<i>as a % of sales</i>	13.5%	13.5%	13.6%	13.3%	12.3%	13.2%
Royalties	309	72	66	92	76	306
<i>as a % of sales</i>	-1.1%	-1.1%	-1.0%	-1.4%	-1.1%	-1.2%
Operating profit	8,730	2,048	1,979	1,947	2,264	8,238
<i>Margin</i>	31.9%	30.8%	30.6%	29.8%	33.3%	31.2%
NFI	(707)	(168)	(184)	(178)	(194)	(724)
Associates	15	10	0	9	10	29
Pre-tax profit	8,038	1,890	1,795	1,778	2,080	7,543
Tax	(2,084)	(489)	(457)	(431)	(461)	(1,838)
<i>Tax rate</i>	25.9%	25.9%	25.5%	24.2%	22.2%	24.4%
Profit after tax	5,954	1,401	1,338	1,347	1,619	5,705
Minorities	(197)	(65)	(48)	(64)	(58)	(235)
Attributable profit	5,757	1,336	1,290	1,283	1,561	5,470
WANS (m)	5,028	4,963	4,945	4,897	4,843	4,912
Core EPS (p)	114.5	26.9	26.1	26.2	32.2	111.4
DPS (p)	70.0	17.0	17.0	18.0	22.0	74.0

*** CER growth**

In order to illustrate underlying performance, it is the Group's practice to discuss its results in terms of constant exchange rate (CER) growth. This represents growth calculated as if the exchange rates used to determine the results of overseas companies in Sterling had remained unchanged from those used in the comparative period. All commentaries are presented in terms of CER growth, unless otherwise stated.

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Cautionary statement regarding forward-looking statements

GSK cautions investors that any forward-looking statements or projections made by GSK, including those made in this document, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Factors that may affect GSK's operations are described under Item 3.D 'Risk factors' in the company's Annual Report on Form 20-F for 2012.